CONNECTICUT AUTOMOTIVE RETAILERS ASSOCIATION

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Testimony

TO:

Joint Committee on Transportation

FROM:

James T. Fleming, President

Connecticut Automotive Retailers Association (CARA)

DATE:

Wednesday, February 22, 2012

RE:

Raised bill 5168, "AN ACT CONCERNING THE DOCUMENTATION OF

DEALER SAFETY INSPECTIONS" and Raised Bill 5164 "AN ACT CONCERNING REVISIONS TO THE MOTOR VEHICLE LAWS".

My name is James Fleming; I am the president of the Connecticut Automotive Retailers Association (CARA). CARA represents the 260 new franchised automobile dealerships in the state of Connecticut. CARA members employ more than 12,000 people in this state and our members are responsible for nearly 8 billion dollars in retail sales each year and nearly 15% of the associated sales tax in this state.

I am submitting testimony today on two bills - H.B. 5168 "AN ACT CONCERNING THE DOCUMENTATION OF DEALER SAFETY INSPECTIONS" and H.B. 5164 "AN ACT CONCERNING REVISIONS TO THE MOTOR VEHICLE LAWS".

CARA supports the intended purpose of HB 5168 as set forth in the "Statement of Purpose" which is to require dealers to complete a form certifying that a safety inspection has been performed on a used vehicle by a Connecticut dealer prior to sale. Presently, all licensed dealers who sell used vehicles must perform a thorough safety inspection of a vehicle to ensure that the vehicle is safe for the road. Dealers have been performing this service for many years and do so as a condition of their license, to protect consumers from unsafe vehicles and themselves from liability. It should be noted that private sales of vehicle between individuals do not have any safety inspection unless the vehicle is more than 10 years of age.

For consistency CARA suggests that the term "unfit for highway operation" be modified to reflect existing statutory language as set forth in CGS Section 14-12(f)(1) by inserting the term "unsafe" in lieu of the word "unfit". Additionally CARA would suggest that the last sentence of the bill, as set forth in lines 22-25, be clarified to clearly allow a dealer to recover in the sale price of the vehicle any costs associated with making the vehicle "safe for highway operation" and finally we suggest that the language in lines 6-8 of the bill concerning safety inspections of "equipment and components" as contained in CGS section 14-80 to 14-106d be modified to clarify that such inspections cover the specific items actually on the subject vehicle as contained on the form approved by the commissioner.

We would be more than willing to work with the committee and the department to develop substitute language on this bill to ensure proper documentation of the safety inspections performed on used vehicles sold by licensed Connecticut dealers.

CARA supports H.B. 5164 "An Act Concerning Revisions to the Motor Vehicle Laws, however we suggest that in section 7 line 232 the language be modified to provide the commissioner with the discretions to assess a \$50 fee on repeat offenders who fail to maintain a bond continuously by allowing their bonds to lapse and who further delay renewing the bond within 30 days of notice by the department. The committee may wish to add additional language that mandates the surety company notify the dealer 30 days prior to the expiration of the bond. This mandate would ensure that consumers are protected against loss in the event the bond is invoked against a dealer. The mandate would give both the department and dealers adequate time to ensure that the bond is continually maintained. CARA again is most happy to work with the committee and the department to develop substitute language to ensure not only enforcement of the bond provision with a penalty fee after that fact but more importantly to protect Connecticut consumers on this matter by preventing the bond from lapsing in the first place.